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THE WASHINGTON POST
23 July 1982

Competition Motive Is Seen Behind Edwin Wilson's Cooperation

By Charles R. Babcock
Washington Post Staff Writer

The Justice Department, in cracking a major case involving sales of contraband U.S. military equipment overseas, reportedly was working with information supplied by indicted former CIA agent Edwin P. Wilson, who allegedly was trying to put a competitor out of business.

According to court papers, Wilson, awaiting trial on charges of supplying terrorist equipment to Libyan dictator Col. Muammar Qaddafi, steered federal prosecutors toward Tencom Corp., a Chicago company accused by Justice of supplying Qaddafi with \$14 million in aircraft parts.

Early last year State Department officials received an anonymous letter from Britain alleging that Tencom was shipping such parts to Libya in violation of a U.S. embargo.

Later in the year Wilson met secretly in Rome with a U.S. prosecutor and fingered Tencom, his lawyers said in court papers. At the time he was wanted by U.S. authorities and was trying to negotiate terms under which he would return to this country.

In naming Tencom, he seemed to be "trying to put a competitor out of business," another prosecutor said here Wednesday in a court hearing on an unsuccessful request to reduce Wilson's \$20 million bail.

The same day in Chicago, a federal grand jury indicted Tencom, its top two officials and Qaddafi's personal pilot on charges of shipping \$14 million worth of parts for C130 transport planes and CH47 helicopters to Libya.

Wilson, recently lured from Libya in an elaborate scheme and arrested, is being held here awaiting trial on the charges of supplying Qaddafi.

Myles Ambrose, attorney for Tencom and its president, Nedim Sulyak, 30, a native of Turkey, said his clients never intended to break the law. He said that the destination of most of the 60 shipments to Libya was clearly marked and that they contained parts that could be used on commercial or military models of Lockheed aircraft.

A source familiar with the Tencom case said a Customs agent became suspicious and checked records of some of the shipments to Libya even before the anonymous letter was received from the State Department last year.

The source said that, although Wilson was not believed to be in London at the time the letter was mailed, he could not rule out the possibility that Wilson was involved in making the allegation through an aide.

John A. Keats, one of Wilson's attorneys, said he cannot comment on whether his client informed on Tencom to damage a competitor.

"Our position is that any cooperation he gave was for his own [legal] situation, not his business," he said.

Tencom was established in 1978 by Sulyak, who Ambrose said traveled around the world lining up business. Filling the orders was the firm's vice president, Donald Malsom, 31. Ambrose said Sulyak is out of the country but will return to face the charges.

Sources said that the other defendant, Libyan Air Force Col. Najmeddin A. ElYazgi, 37, is in Tripoli, and that the United States will seek his return if he enters a country that has an extradition treaty with the United States. The indictment charged that he flew around the world arranging delivery of spare parts.

According to the indictment, the parts were labeled "non-military" on export documents. Some were shipped to West Germany and then to an aircraft repair facility in Venice where Qaddafi sent his planes, the indictment said.

The nearly \$14 million paid to Tencom for the shipments went through accounts in West Germany and the United States, the government alleges.

Ambrose, U.S. Customs commissioner in the Nixon administration, said his clients made mistakes on the shipping orders but were not trying to hide their Libyan connection. "The law is very confusing," he said.